

**EXECUTIVE SECRETARIAT**  
Routing Slip

| TO:      |           | ACTION           | INFO | DATE | INITIAL |
|----------|-----------|------------------|------|------|---------|
| 1        | DCI       |                  |      |      |         |
| 2        | DDCI      |                  |      |      |         |
| 3        | EXDIR     |                  |      |      |         |
| 4        | D/ICS     |                  |      |      |         |
| 5        | DDI       |                  |      |      |         |
| 6        | DDA       |                  |      |      |         |
| 7        | DDO       |                  |      |      |         |
| 8        | DDS&T     |                  |      |      |         |
| 9        | Chm/NIC   |                  |      |      |         |
| 10       | GC        |                  |      |      |         |
| 11       | IG        |                  |      |      |         |
| 12       | Compt     |                  |      |      |         |
| 13       | D/EEO     |                  |      |      |         |
| 14       | D/Pers    |                  |      |      |         |
| 15       | D/OEA     |                  |      |      |         |
| 16       | C/PAD/OEA |                  |      |      |         |
| 17       | SA/IA     |                  |      |      |         |
| 18       | AO/DCI    |                  |      |      |         |
| 19       | C/IPD/OIS |                  |      |      |         |
| 20       | NIO/ECON  |                  | ✓    |      |         |
| 21       |           |                  |      |      |         |
| 22       |           |                  |      |      |         |
| SUSPENSE |           | _____ Date _____ |      |      |         |

Remarks:

Executive Secretary  
9/8/82  
Date

THE WHITE HOUSE  
WASHINGTON

**CABINET AFFAIRS STAFFING MEMORANDUM**

Executive Registry  
82-5862

DDI- 7247-82

DATE: 9-7-82 NUMBER: 077455CA DUE BY:

SUBJECT: Cabinet Council on Economic Affairs - September 9, 1982

8:45 a.m. in the Roosevelt Room

|                     | ACTION                              | FYI                                 |                          | ACTION                              | FYI                                 |
|---------------------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|-------------------------------------|
| ALL CABINET MEMBERS | <input type="checkbox"/>            | <input type="checkbox"/>            | Baker                    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Vice President      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Deaver                   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| State               | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Clark                    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Treasury            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Darman (For WH Staffing) | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Defense             | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Harper                   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Attorney General    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Jenkins                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Interior            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Wheeler                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Agriculture         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Kudlow                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Commerce            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Labor               | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| HHS                 | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| HUD                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Transportation      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Energy              | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Education           | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Counsellor          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| OMB                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| CIA                 | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |                                     |                                     |
| UN                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |                                     |                                     |
| USTR                | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          |                                     |                                     |
| CEA                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | CCCT/Gunn                | <input type="checkbox"/>            | <input type="checkbox"/>            |
| CEQ                 | <input type="checkbox"/>            | <input type="checkbox"/>            | CCEA/Porter              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| OSTP                | <input type="checkbox"/>            | <input type="checkbox"/>            | CCFA/Boggs               | <input type="checkbox"/>            | <input type="checkbox"/>            |
|                     | <input type="checkbox"/>            | <input type="checkbox"/>            | CCHR/Carleson            | <input type="checkbox"/>            | <input type="checkbox"/>            |
|                     | <input type="checkbox"/>            | <input type="checkbox"/>            | CCLP/Uhlmann             | <input type="checkbox"/>            | <input type="checkbox"/>            |
|                     | <input type="checkbox"/>            | <input type="checkbox"/>            | CCNRE/Boggs              | <input type="checkbox"/>            | <input type="checkbox"/>            |

REMARKS: Attached are the agenda and papers for the CCEA meeting to be held September 9, 1982 at 8:45 a.m. in the Roosevelt Room.

RETURN TO:

☐ Craig L. Fuller  
Assistant to the President  
for Cabinet Affairs

☒ Becky Norton Dunlop  
Director, Office of  
Cabinet Affairs

DCI  
EXEC  
REG

THE WHITE HOUSE  
WASHINGTON

September 7, 1982

MEMORANDUM FOR THE CABINET COUNCIL ON ECONOMIC AFFAIRS

FROM: ROGER B. PORTER *RBP*  
SUBJECT: Agenda and Paper for the September 9 Meeting

The agenda and paper for the Thursday, September 9 meeting of the Cabinet Council on Economic Affairs are attached. The meeting is scheduled for 8:45 a.m. in the Roosevelt Room.

The first agenda item is a report on the World Bank and International Monetary Fund meetings in Toronto which will conclude on September 8. No paper will be circulated in advance of the meeting.

The second agenda item is the mid-term planning exercise. As part of the mid-term planning exercise, Edwin Meese has requested that each Cabinet Council hold two sessions in the next few weeks, the first without the President and the second with the President to discuss three subjects:

1. The Administration's objectives in the policy area covered by the Cabinet Council;
2. The accomplishments thus far; and
3. The remaining key issues requiring attention during the remainder of the President's first term.

The Cabinet Council on Economic Affairs secretariat has prepared a short paper covering these three subjects to serve as a basis for the discussion. A copy of the paper is attached.

Attachments

THE WHITE HOUSE  
WASHINGTON

THE CABINET COUNCIL ON ECONOMIC AFFAIRS

September 9, 1982

8:45 a.m.

Roosevelt Room

AGENDA

1. Report on World Bank and IMF Meetings (CM#290)
2. Mid-Term Planning Exercise (CM#285)

CABINET COUNCIL ON ECONOMIC AFFAIRS

I. Basic Objectives

A. Domestic Economic Objectives

1. Restore sustained economic growth without inflation through sound fiscal and monetary policies.
2. Reduce the total Federal tax burden and provide the environment for rebuilding the nation's industrial and economic base through enhanced incentives for increased private savings and investment.
3. Provide the environment for economic growth by reducing unnecessary government regulation.
4. Support the Federal Reserve Board's pursuit of a steady, moderate growth in the money supply.
5. Reduce federal credit demands in the financial markets by limiting the growth of on and off-budget federal spending and future federal commitments and guarantee programs.
6. Clarify the appropriate Federal role in planning and promoting a healthy economy, identifying problem areas of a critical nature, and reducing federal intervention in the economy, including resisting troubled industry appeals for assistance.
7. Facilitate the creation of jobs in the private sector and help provide training for citizens to acquire skills needed for access to jobs.
8. Promote the deregulation of financial institutions in a manner that protects investors and depositors.
9. Accomplish needed changes in the private retirement system to make the pension guarantee system actuarially sound and to prevent abuses of the private pension system.

B. International Economic Objectives

1. Facilitate cooperative arrangements in the economic relations among the industrial democracies that will encourage fiscal and monetary policies that support mutually shared goals of reduced inflation and increased economic growth.
2. Develop appropriate policies and procedures to deal effectively with the outstanding and future debts of less developed countries and Eastern Bloc countries.

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3. Promote international arrangements that permit the free flow of investment and trade consistent with our national security requirements and international obligations.
4. Promote a smoothly functioning international economic and financial system through responsible participation in international financial institutions.
5. Develop constructive economic relations with newly industrializing and other developing countries based on providing appropriate assistance and policy recommendations, facilitating investment, and promoting reliable access to markets in industrial countries.

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## II. Accomplishments

### A. Domestic Economic Policy

1. Dramatically lowered the rate of inflation.
2. Achieved a reduction in the rate of growth of Federal spending.
3. Enacted the Economic Recovery Tax Act of 1981 and the Tax Equity and Fiscal Responsibility Act of 1982 reducing the federal tax burden while strengthening compliance and eliminating abuses.
4. Substantially reduced the federal regulatory burden saving an estimated \$9-11 billion in one-time investment costs and at least \$6 billion in annually recurring costs.
5. Completed a comprehensive review of all federal credit programs substantially reducing the rate of growth of federal credit demands.
6. Consistently resisted efforts by specific industries and sectors for special assistance and bailout legislation.
7. Proposed a new employment and training program based on block grants to state governments to replace the CETA program.
8. Proposed a series of measures to expand thrift institution asset and liability powers, permit inter industry and interstate mergers of troubled institutions, and provide income capital certificates for financial institutions with low net worth.
9. Proposed legislation to prevent abuses of single employer termination insurance and to make the pension guarantee system actuarially sound.

### B. International Economic Policy

1. Held two successful international economic summit conferences that reached agreement on cooperative arrangements to harmonize fiscal and monetary policies.
2. Worked in close coordination with other major creditor countries in rescheduling outstanding Polish debt.
3. Completed a major study of multilateral lending institution policies and redirected U.S. participation and objectives in participating in such institutions.

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4. Developed and proposed a set of initiatives for Cancun Summit aimed at providing appropriate technical assistance, facilitating adequate investment, and promoting reliable access to industrial countries.



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### III. Key Issues

#### A. Domestic Economic Policy

1. Monitor the progress of the economic recovery and assist in shaping fiscal and monetary policies consistent with achieving sustained economic growth without inflation.
2. Continue to reduce the rate of growth of federal spending while insuring the solvency of the major federal trust funds.
3. Rationalize the tax system to preserve the legislated future reductions in personal tax rates while raising sufficient revenues to bring deficits under control.
4. Achieve financial institution reform through deregulating the activities of various financial institutions (mutual savings banks, savings and loan associations, commercial banks, etc.) in a manner that protects investors and depositors.
5. Explore fundamental tax reforms which would provide greater fairness, equity, and simplicity in the tax laws and incentives for investment.
6. Further reduce the impact of federal credit activities, especially off-budget borrowing, on the financial markets.
7. Examine alternative strategies for extending the Administration's regulatory relief efforts.
8. Monitor and develop positions on proposals for federal assistance to specific troubled industries.
9. Develop additional proposals to alleviate the youth unemployment problem with emphasis on lowering employment costs in the private sector and explore alternative policies that would enhance the adjustment of experienced workers to the changing structure of industry away from basic manufacturing to the high technology and service sectors.

#### B. International Economic Policy

1. Promote a smoothly functioning international economic and financial system through responsible participation in international financial institutions and through close and frequent consultations with our Allies.

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2. Develop appropriate policies and procedures to deal effectively with the outstanding debts of less developed countries and Eastern Bloc countries.
3. Promote international arrangements that permit the free flow of investment consistent with our national security requirements and international obligations.